



[4830-01-P]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG-107889-12]

RIN 1545-BK85

Substantial Business Activities; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to a notice of proposed rulemaking by cross-reference to temporary regulations.

SUMMARY: This document corrects a notice of proposed rulemaking by cross-reference to temporary regulations (REG-107889-12) that was published in the **Federal Register** on Tuesday, June 12, 2012 (77 FR 34887) regarding whether a foreign corporation has substantial business activities in a foreign country.

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Mary W. Lyons, (202) 622-3860; and David A. Levine, (202) 622-3860, and regarding the submission of public comments and the public hearing, Ms Oluwafunmilayo (Funmi) Taylor, at (202) 622-7180 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

The notice of proposed rulemaking by cross-reference to temporary regulations (REG-107889-12) that is the subject of this correction is under section 7874 of the Internal Revenue Code.

Need for Correction

As published, REG-107889-12, contains an error that may prove to be misleading and is in need of clarification.

Correction of Publication

Accordingly, the publication of the correction to a notice of proposed rulemaking by cross-reference to temporary regulations (REG-107889-12), which was the subject of FR. Doc. 2012-14238, is corrected as follows:

On page 34887, column 3, in the preamble, under the paragraph heading “Special Analyses:”, the paragraph is replaced in its entirety, and is corrected to read “It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to the regulations, and because the regulations do not impose a collection of information on small entities, the requirements of the Regulatory Flexibility Act (5 U.S.C. chapter 6) do not apply. Accordingly, a regulatory flexibility analysis is not required. Pursuant to section 7805(f) of the Code, the regulations have been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small business.”

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